

UNITED STATES OF AMERICA  
POSTAL REGULATORY COMMISSION  
WASHINGTON, DC 20268-0001

Competitive Product Prices  
Priority Mail Contract 123 (MC2015-52)  
Negotiated Service Agreement

Docket No. CP2015-80

PUBLIC REPRESENTATIVE COMMENTS ON POSTAL SERVICE  
NOTICE OF CHANGE IN PRICES PURSUANT TO  
AMENDMENT OF PRIORITY MAIL CONTRACT 123

(March 8, 2016)

The Public Representative hereby provides comments pursuant to Order No. 3101.<sup>1</sup> In that Order, the Commission established the above referenced docket to receive comments from interested persons, including the undersigned Public Representative, on a Postal Service Notice of a Change in Prices Pursuant to Amendment to Priority Mail Contract 123.<sup>2</sup> The Postal Service's Notice includes supporting financial documentation, and a certified statement required by 39 C.F.R. § 3015.5(c)(2). The Postal Service also filed (under seal) a contract related to the amendment.

The contract amendment's effective date will be 1 business day after receiving final regulatory approval by the Commission. *Notice* at 1.

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<sup>1</sup> PRC Order No. 3101, Notice and Order Concerning Amendment to a Priority Mail Negotiated Service Agreement, February 26, 2016.

<sup>2</sup> Notice of United States Postal Service of Change in Prices Pursuant to Amendment to Priority Mail Contract 123, February 25, 2016 (Notice).

## COMMENTS

The Public Representative has reviewed the instant contract Amendment, certified statement required by 39 C.F.R. § 3015.5(c)(2), and the financial data and model filed under seal that accompanies the Postal Service's Request. Based upon that review, the Public Representative concludes that , it appears that the contract, as amended will generate sufficient revenues to cover costs, thus satisfying the requirements of 39 U.S.C. § 3633(a).

*Requirements of 39 U.S.C. § 3633.* Pursuant to 39 U.S.C. § 3633(a), the Postal Service's competitive prices must not result in the subsidization of competitive products by market dominant products; ensure that each competitive product will cover its attributable costs; and, ensure that all competitive products collectively contribute an appropriate share of the institutional costs of the Postal Service. Based upon a review of the financial model filed under seal with the Postal Service's Notice, it appears the negotiated prices in the instant contract Amendment should continue to generate sufficient revenues to cover costs.

The Public Representative respectfully submits the foregoing comments for the Commission's consideration.

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